



US Army Corps  
of Engineers



## Outdoor Recreation Economic Study

The Federal Recreation Council is working in cooperation with the Commerce Department's Bureau of Economic Analysis to establish national and regional level statistics on the outdoor recreation economy through the initiation of an Outdoor Recreation Satellite Account.

Statistics such as production, employment, compensation, value added and other economic factors that depend on the outdoor recreation economy will be captured.

The study will help document the full value and contributions of outdoor recreation to the American economy and present detailed and defensible data to inform decision making, improving governance and long-term management of public lands and waters.



Photo: Bob Wick - BLM California

### Why study the outdoor economy?

Private industry and independent studies have shown that the outdoor recreation sector supports more jobs than many American industries. According to the Outdoor Industry Association, for example, the outdoor recreation industry supported 6.1 million American jobs and contributed \$646 billion in economic output in 2012. Yet, the role that public lands and waters play in the American economy is underappreciated and not well understood.

The goal of this feasibility study is to develop baseline statistics that showcase the importance of outdoor recreation as a distinct component of the economy. The data produced by this account would then be used to help inform a wide variety of audiences and decision makers on the importance of outdoor recreation to the U.S. economy.

## FREQUENTLY ASKED QUESTIONS

● **What is a satellite account?** The U.S. Bureau of Economic Analysis (BEA) releases industry accounts in two main formats. The first are the annual industry accounts, which report estimates for 71 industries, and the second are the “benchmark” industry accounts, which are released every five years and contain data for 425 detailed industries.

Despite the wealth of information available from BEA’s industry accounts, they do not visibly capture every aspect of the economy. Satellite accounts, alternatively, cut across sectors and arrange industry data to show detail without overburdening the main industry accounts.

The Outdoor Recreation Satellite Account (ORSA) will reflect an aggregation of statistics for a variety of industries and products that are both recreational and outdoor in nature – or that provide support to that activity. The method used to calculate the ORSA estimates will be similar to those used to calculate other satellite accounts like the Travel and Tourism Satellite Account and the Arts and Cultural Production Satellite Account.

● **How does a satellite account complement what data agencies are already producing?** The information produced by a satellite account, while potentially informed by agency data, is far more comprehensive than that which could be produced by an agency alone. Moreover, a satellite account produced by BEA is a distillation of the Benchmark Input-Output (I-O) Tables of the U.S. which set the level of U.S. GDP. This connection is what allows the satellite account to defensibly describe, for example, that Travel and Tourism is 2.9% of GDP; or Arts and Culture is 3.2% of GDP. Simply summing a collection of statistics from disparate agencies does not provide this ability to evaluate portions of total economy output, employment, value added or compensation. BEA data is held to the highest standards, and is a trusted source for the nation to provide an authoritative source of recreation data that government officials and decision makers can use.

● **What are the benefits of establishing a satellite account on outdoor recreation?** ORSA-derived estimates will benefit both the private and public sectors by producing data that allows resource agencies at the local, state and national level, as well as private industry, to more clearly measure their economic impact and promote a more comprehensive understanding of the wide range of benefits that flow from public resources.

Attaching a numerical value to recreation resources could help foster the appreciation for, and stewardship of, public lands and waters; help provide a more holistic understanding of local economies; and better support resilient economic strategies and business operations.

The ORSA feasibility study would have the immediate outcome of helping to frame subsequent work and data needed to: determine how many people work in the outdoor recreation industry; define outdoor recreation as a set of goods and services coming from the Benchmark Input-Output Table of the U.S.; assess the effects of the outdoor recreation industry on the U.S. economy; and compare outdoor recreation to other industries.

● **Does a satellite account measure all economic benefits of outdoor recreation?** A satellite account is only one measure of the economic benefits of recreation. It does not, for example, include non-market values (e.g. quality of life, ecosystem service value).

● **What is the definition of “outdoor recreation”?** The definition of the outdoor economy will be established by an iterative, bottom-up process involving the Federal Recreation Council and BEA. External stakeholders will have an opportunity to provide input as well.

● **What are the next steps?** The Interior Department, on behalf of the Federal Recreation Council, will sign a Memorandum of Understanding with BEA to establish the satellite account. The agreement will focus on an initial, one-year feasibility study necessary to establish experimental, national-level and regional estimates, beginning with California, which will be completed in 2017.